



REGULAR MEETING OF THE CITY COUNCIL AND THE COUNCIL SITTING AS THE REDEVELOPMENT AGENCY

**Council Chamber in City Hall
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234**

WEDNESDAY, FEBRUARY 23, 2005

The regular meeting of the City Council, also sitting as the Redevelopment Agency, and the was called to order by Mayor DeRosa in the Study Session room on February 23, 2005 at 3:03 p.m.

ROLL CALL:

Present: Council Members/RDA Board Members England, Marchand, Mayor Pro Tem/Vice-Chairman Pettis, and Mayor/Chairman DeRosa

Absent: None

The regular meeting began at 6:35 p.m. and was opened by Mayor DeRosa in the Council Chambers. Pastor Danny Manriquez from Father's House gave the invocation. The Cathedral City High School Air Force Junior ROTC Color Guard presented the colors and Mayor DeRosa led the audience in the Pledge of Allegiance.

CLOSED SESSION AGENDA:

1. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION pursuant to Government Code Section 54956.9, Subd. (b)
Number of Potential Cases: 2
2. CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION pursuant to Government Code Section 54956.9, Subd. (k):
Case Name: Safirstein vs. City of Cathedral City
Case No.: Riverside County Superior Court, Indio Branch Case No. INC039771
3. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (**Paul Shillcock**)
Property Location: South of East Palm Canyon, west of Perez Road
APN# 687-030-010
Negotiating Parties: Redevelopment Agency and CCC Properties, LLC
(O'Brien Automotive Team, Inc.)
Property Owner: Redevelopment Agency
Under Negotiation: Disposition of Property and Development Agreement
4. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code

- Section 54956.8 (**Paul Shillcock**)
Property Location: APN# 687-030-075, 076 and 079
Negotiating Parties: Redevelopment Agency and Don Steward
Property Owners: Robert Smith and Tramview Land
Under Negotiation: Disposition of Property
5. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8 (**Paul Shillcock**)
Property Location: North of East Palm Canyon Drive, East of Cree Road
APN#s 681-310-011, 014 and 016.
Negotiating Parties: City of Cathedral City Redevelopment Agency and Michael Criste/Bill Waddle, The Bedford Group.
Property Owners: Lincoln Trust Company and OCOBO.
Under Negotiation: Disposition of Property
6. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8 (**Paul Shillcock**)
Property Location: East of Van Fleet Avenue, South of East Palm Canyon Drive; APN #'s 687-207-005 (Sousa) and 687-223-016 (Sanchez); and 687-223-007 (Ruiz)
Negotiating Parties: Redevelopment Agency and BCN Developments, Inc.
Property Owners: Martin Sousa, et al; Jorge & Maria Sanchez and Jose Ruiz
Under Negotiation: Disposition of Property
7. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8 (**Paul Shillcock**)
Property Location: East of the East Cathedral Canyon Storm Channel in Designated Open Space Area. APN #686-310-006; 686-232-034; 686-270-004; and 687-241-056
Negotiating Parties: Redevelopment Agency and Desert Cove Golf Resorts
Property Owners: City of Cathedral City and Cathedral City Redevelopment Agency
Under Negotiation: Disposition of Property
8. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. (**Charlene Sumpter**)
Property Location: North of East Palm Canyon Drive, west of Monty Hall, south of Officer David Vasquez and east of Cathedral Canyon Drive.
Negotiating Parties: Redevelopment Agency and Tri- Millennium Cathedral City LLC
Property Owner: Redevelopment Agency
Under Negotiation: Amendment to the Disposition and Development Agreement for Building "G"
9. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8 (**Keith Scott**)
Property Location: 31950 Crosley Road
APN# 677-420-016 and associated parcels

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Negotiating Parties: Redevelopment Agency and KEH Development Company, LLC
Property Owner: Dr. C. Bochner
Under Negotiation: Property Acquisition

10. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. **(Keith Scott)**
Property Location: South of East Palm Canyon Drive, West of the Perez Road extension, East of Canyon Plaza
APN#s 687-030-010 and 074
Negotiating Parties: Redevelopment Agency and Desert Hills Mobile Home Park, Inc.
Property Owner: Desert Hills Mobile Home Park
Under Negotiation: Property Negotiations
11. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8. **(Don Bradley)**
Property Location: Landau and Corta Road
APN#s 687-030-061, 063, 067 and 069 and 687-060-001-005; and 87-678-060-049-053
Negotiating Parties: City of Cathedral City and Salvation Army
Property Owner: City of Cathedral City
Under Negotiation: Disposition of Property
12. PUBLIC EMPLOYEE EVALUATION pursuant to Government Code Section 54957.
Title of Position: City Manager

CLOSED SESSION ANNOUNCEMENTS:

Deputy City Attorney Green announced there were no reportable actions out of the Closed Session; however, the City Council did not finish the Closed Session agenda, so at the end of the meeting tonight the Council will adjourn to Closed Session to finish the agenda.

PUBLIC COMMENTS:

Bill Cohen – Cathedral City. Mr. Cohen wished to seek additional volunteers to work in the C.O.P.S. and he is still selling T-shirts. He advised that he is getting help selling the T-shirts from the Watch Commander's office. Please feel free to contact him at 321-0148.

Robert Reeves – Cathedral City. Mr. Reeves is part of the Steering Committee for the Cove sewer project and wanted to give the council an update on what has been happening since the last council meeting. They have contacted the Public Arts Commission to study the feasibility of a traffic circle at the junction of Cathedral Canyon and Terrace displaying a piece of art. They have had four meetings last two days, and have met with the Cathedral City Chamber of Commerce, the city, had a meeting with the Desert Water Agency wherein the DWA is going to sponsor their grant applications. Mr. Reeves presented a written report on the Cove Improvement District Demographics.

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Mark Cassell – Cathedral City and owner of the Beer Hunter. He read a short article from the Desert Sun wherein Mayor DeRosa was quoted as saying that the Cathedral City High School

Baseball team could use some financial help and he wanted the City and the Desert Sun to know that he had a charity golf tournament and that he had donated \$8500 to the athletic department at the school. Mr. Cassell expressed concern about needed street repairs and especially *sinkholes* at the corner of Date Palm and Dinah Shore. He is looking for ways to increase his business, he is advertising on Radio and TV but doesn't get PR from the Desert Sun. He is a member of the Chamber of Commerce. He feels the streets are in poor condition and that is affecting his business.

Ed Farmer – Cathedral City. Mr. Farmer is the General Manager at Big League Dreams. He advised that they are hosting the Clemens NCA fast pitch softball women's tournament this weekend. He also advised that Big League Dreams has their first park outside of California and that he is being transferred to Houston to be General Manager of the new park. He then introduced the new General Manager Adrian Williams, and Leslie Stevens who will be Director of group business.

Sharon Stephens – Cathedral City. Ms. Stephens is very unhappy with the Cathedral City Police Department and some others within the City environment and advised that she was going to serve the city with a lawsuit. Some of the subjects were perjury, conspiracy, fraud, aid and abetting, false arrest and violations of her constitutional rights.

Brad Fleener – Cathedral City and President of Desert Aquatics. He then showed a four minute video of the championship water polo team from Bell Gardens High School. Mr. Fleener is working to get a poll in Cathedral City. He thought it best to show the tape of this poor neighborhood's efforts as a positive influence for their efforts as a group.

Seeing no one else wishing to speak Mayor DeRosa closed Public Comments.

AGENDA FINALIZATION:

Mayor DeRosa advised that item 7 under Public Hearings would be continued to March 9th meeting.

SCHOOL REPORTS

Stephanie Price – Cathedral City High School. Stephanie advised that Melissa Torres, the other student representative, could not be here this evening. Stephanie advised that the Spring Play has been set, and the students who will have parts in the play has been chosen. They will be put into an extra class where they will be practicing for the event. She also said the Social Studies classes were working on plans to honor the Students of the Month.

COUNCIL COMMENTS

Council Member England had the opportunity to visit our first store opened in the Building G, Vino 100. He learned a lot about wine and enjoyed the wine tasting. They are offering a 5% discount for Cathedral City residents. Also, the Coachella Valley Economic Partnership was able to get a bond issued passed for College of the Desert for the expansion of the college.

Work has begun, with the Date Palm removal and the installation of the paved, new parking lots. Everything should be done by the end of 2006. Mr. England also discussed the lack of both hot and cold temporary shelters in Cathedral City. He advised those in need could contact CVAG for shelter, and that Calvary Bible Church in Cathedral City has now been identified as a shelter.

Council Member Marchand. First I have some requests to adjourn in memory of those who have lost their lives in the recent and ongoing storms here in Southern California, in memory of our troops who have lost their lives in Iraq and Afghanistan, a request from the Public Arts Commission to adjourn in memory of Arthur Miller, perhaps the greatest American play write of his time, and from a constituent/client's longtime partner to adjourn in memory of James Sitter.

Mr. Marchand advised that some of us may have seen a letter to the Editor of the Desert Sun last Friday, and that he didn't usually comment on these, but this one kind of disturbed him, because it showed a kind of indifference that some of our letter writers have to checking the facts. The letter says in part "we definitely support our forward thinking Mayor Ron Oden in favoring the Palm Hills development. We live very near there (Trader Joe's and Target) and hope it will lead to upgrades of buildings and landscape and other improvements along that homely divided corridor of East Palm Canyon between Gene Autry and Date Palm Drive." I have to say I'm not wild about people taking cheap shots at our city in order to make a political point about what is happening in another jurisdiction. I'm also not wild about people not taking some time and doing some basic fact checking. Most of the area that the author of this letter is talking about is here in Cathedral City and not in Palm Springs. Mr. Marchand went on to say that he knew how hard staff had been working on the transformation and the upgrades that have taken place in that area and continue to take place. That being said, I think this is another reminder of the importance of strategic communication with the community so that people know what is going on in Cathedral City, so they know that some sense that this is a city who has taken action and responsibility for improving life in the community.

Last evening the Palm Springs Unified School District Board voted to accept applications for appointment for the position being vacated by Father Andrew Green. Right now the board is made up of all Palm Springs and Rancho Mirage residents. I would like to see Cathedral City represented on this board and hope that someone from Cathedral City with some qualifications, that they would apply.

Some of you may have read about the radio locator tags that one school district in Sutter, California wanted the kids to wear, tags like the ones used to locate cattle in the stock yards. The parents revolted, not wanting their kids to wear these tags. I support the parents, we can't afford to raise our next generation in a way that accustoms them to the steady erosion of freedom and privacy that are happening in so many places in the world. This is not the American way.

Mayor DeRosa advised that Code Enforcement has been working very hard on bringing improvements to the entrance of our city.

Mayor Pro Tem Pettis advised Mr. Reeves had mentioned a meeting they had with the Regional Water Control Board staff yesterday about the Cove improvement district and the efforts that are being made there. While it was not pleasant to hear them say they were going to be the state enforcement agency to make sure the city complies in getting the cove off septic tanks,

they were very positive in their commitment to help in obtaining additional funds for this project. They have helped in getting us the 5.3 million in grants so far. Keep on your calendars – there will be meetings about the Salton Sea restoration plan.

Mayor DeRosa wanted to thank the person who climbs the mountain at the end of Date Palm and East Palm Canyon and places the American flag up there. She has had the opportunity of attending several Cove meetings. She complimented all who are involved, and especially the consultant Martha and how she talks to people. Cold Stone Creamery is expected to open the first week in March, the second merchant for Building G. She attend the Sun Line Transit meeting today, and advised that the Sun Line bus is looking to expand their service. Palm Springs Resorts is expanding their boundaries to now include Cabazon.

MINUTES

Mayor DeRosa called for any acceptance or correction to the minutes of the regularly scheduled City Council/RDA Board meeting held on Wednesday October 27th, 2004 and minutes of the regularly scheduled City Council/RDA Board meeting held on Wednesday, February 9th, 2005. Council Member Marchand offered a correction for the October 27th minutes in that reference to the Boston Red Socks should have read Sox and that he would be abstaining on items 8 thru 21 of these minutes. Hearing no further corrections to the minutes Mayor DeRosa stated the minutes stand approved as corrected.

PRESENTATIONS & PROCLAMATIONS

Police Chief Henry presented the Chief's Award to Detective Earl Moss.

The Mayor and Council Members then presented service awards to those employees who were present at the meeting:

Five Year Awards

Donald Bradley, City Manager
Wyvette Ganther, Building Department
Paul Shillcock, Economic Development

Ten Year Awards

Teri McKeating, City Manager Office
Gregory Pettis, Mayor Pro Tem

Fifteen Year Awards

Earl Moss, Police

Twenty Year Awards

Laura Hanlon, Police
Stanley Henry, Police

John Holcomb, Police

There are an additional 26 awards for employee's who were unable to attend tonight's meeting.

There was a presentation from Gary Luders (standing in for Chuck Nisbet) from the Coachella Valley Trail Users Coalition with regard to the Multi-Species Habitat Conservation Plan. Mr. Luders advised that their group felt the plan was flawed and gave a short report about the study they had done. He then passed the complete study to the City Clerk for benefit of the City.

CONSENT AGENDA

Council Member Marchand moved approval of the Consent Agenda, motion seconded by Council Member England, motion carried 4-0.

1. Approved demands in the aggregate amount of \$4,955,027 for the month of January, 2005 **by Minute Order # 3853 and Minute Order # R-1013.**
2. Adopted proposed ordinance of the City Council for the City of Cathedral City, continuing Chapter 5.80 to Title V, "Business Regulations of the Cathedral City Municipal Code regarding Safe and Sane Fire Works **by Ordinance No. 601.**
3. Adopted proposed ordinance of the City Council for the City of Cathedral City, on proposed zoning amendment 04-004, Outdoor Lighting Ordinance **by Ordinance No. 602.**
4. Authorized Request for Proposals (RFP) for Engineering services for subdivision of property and road design for property the agency is acquiring south of East Palm Canyon Drive and between Perez Road and Canyon Plaza **by Minute Order # 3854 and Minute Order # R-1014.**
5. Approved Transportation Commission recommendation to hire Traffic Consultant Hui Lai of Traffic Safety Engineers, Inc., to conduct two traffic studies regarding Downtown East Palm Canyon Drive traffic issues **by Minute Order # 3855.**
6. Adopted proposed resolution of the City Council for the City of Cathedral City, authorizing: (1) The City of Cathedral City to participate in the Caltrans administered State Transportation Implementation Program (STIP); (2) authorize execution of program supplement agreement No. 0987 Rev. 000 (SR2SL5430(015) (Victoria Drive from Date Palm Drive to Plumley Road) to administering Agency-State Master Agreement No. 000428 with the State Department of Transportation; and (3) authorize the City Engineer to execute the agreement **by Resolution No. 2005-17.**

- 6A. Approved Life Project Contracts with Hire Standards Pool Construction for \$61,140.34 and a contract with Z Best Grading for \$43,256.50 **by Minute Order # 3856.**

PUBLIC HEARINGS

7. Joint Public Hearing between the City of Cathedral City and the Redevelopment Agency pursuant to Health and Safety Code sections 33431 and 33433 regarding a proposed Disposition and Development Agreement by and between the Agency and CCC Properties.

This item was continued to March 9, 2005 **by Minute order #3857 and Minute Order # R-1015**

8. Joint Public Hearing between the City of Cathedral City and the Redevelopment Agency related to the 2005 amendment to the amended Redevelopment Enabling Plan for Project Area No. 3.

The next item on the agenda tonight is to hold a joint public hearing of the City Council and the Redevelopment Agency on the proposed 2005 Amendment to the Amended Redevelopment Enabling Plan for the Cathedral City Redevelopment Project Area No. 3 (Amendment No. 6). This evening, we will hear the staff report and then open the public hearing for testimony, both oral and written. At the conclusion of the testimony, I will close the public testimony portion of this public hearing and we will then continue the hearing to March 9, 2005 – our next regularly-scheduled meeting. Between this evening and March 9, we will consider the comments and concerns raised at the community information workshop of February 8, your testimony this evening and staff's responses to the comments, concerns and testimony. We will then consider whether or not to proceed with the Plan Amendment.

We will now take the staff report from Mr. Scott.

Keith Scott – Redevelopment Agency. Thank you, Mayor. I apologize ahead of time for the length of my report, as there are a number of things that must be read into the record or said to help clarify for the audience what the Agency is considering.

First of all, let me state very clearly two things: that no action will be taken this evening. Approving the proposed amendment does not automatically take anyone's property. I also need to clarify the difference between a city's use of eminent domain and a redevelopment agency's use of eminent domain. A city, county, the state and special districts have the ability under both the United States and California State Constitutions to use eminent domain to acquire property for public purposes, such as parks, roads, fire stations, police stations and other public facilities. State law further clarifies a public purpose and allows redevelopment agencies to acquire property in "areas [that] require replanning and land assembly for reclamation or development in the interest of the general welfare because of widely scattered ownership, tax delinquency or other reasons." State law also allows a redevelopment agency to "acquire real property by eminent domain" [sect 33391(b)].

Cathedral City Redevelopment Project Area No. 3 was established in 1984, three years after the City was incorporated. At that time, the Agency established the right to use eminent domain throughout the Project Area. That right expired in 1996 and has not been renewed. The Redevelopment Plan has been amended five times, but has not extended the right to use eminent domain beyond the 12 years authorized in the original Redevelopment Plan.

Redevelopment law allows a City and Redevelopment Agency to extend or reinstitute the ability of the Agency to use eminent domain by amending a redevelopment plan through a public process, which is what is being pursued at this time. However, instead of attempting to reinstitute this ability throughout the entire project area, the purpose of the 2005 Amendment is limited to adding the ability to use eminent domain in only a certain small portion of the Redevelopment Project Area.

The portions that are affected include properties in the City of Cathedral City located north of Ramon Road to the west of the Whitewater River Channel and southeast of the Dream Homes tract (Tract # 14288 and the Palm Springs Country Club Estates).

We have provided copies of the map of the affected area and a handout which answers the most frequently asked questions about redevelopment in the back for those interested. We have also posted large copies of the map on the walls in the back of the Chamber.

I would like to now describe the steps already taken in this amendment process. On January 12, 2005, the City Council and Redevelopment Agency Board received draft amendments, authorized staff to notify both the community and taxing entities that an amendment was being considered and called for this public hearing.

On February 8, 2005, the Redevelopment Agency Staff conducted a community information workshop. Twenty community members, most of them business and property owners within the affected area, attended the meeting. The Agency Staff responded to all questions and concerns presented at the workshop. The information gathered at that meeting is included as part of the record and will be considered by the City Council and Redevelopment Agency Board in making their decisions.

To date, we have received 9 written letters from the public. We were asked to read three of them "into the record", which I will do at the opening of the public testimony portion of the public hearing. These letters, the other eight letters already received, and any other written comments we receive this evening will each be responded to in writing.

Next I would like to describe the process that we will be following from this point in order to consider the proposed 2005 Amendment.

Tonight we are holding the formal public hearing which is a hearing required by the California Community Redevelopment Law. Formal notices of the time and place were mailed to all property owners, businesses and residents within the entire Redevelopment Project Area No. 3. The notice was also published in the Desert Sun four times over the last four weeks.

At the close of the public hearing and prior to The City Council's consideration of an ordinance amending the redevelopment plan, Redevelopment Agency Staff will prepare written responses to any written comments received. Responses to the comments presented orally this evening will also be prepared. Then, on March 9, the Redevelopment Agency Board will consider the concerns received at the community meeting held February 8th, all of the testimony presented at this joint public hearing, as well as any responses prepared - and it will then decide whether or not to proceed with the adoption of the 2005 Amendment.

Assuming the Redevelopment Agency Board decides to proceed with the Amendment, it will then introduce an Ordinance making the Amendment to the Plan. The Redevelopment Agency Board will then schedule a second meeting - 2 weeks later on March 23 - to have the second reading of the Ordinance approving the 2005 Amendment. The 2005 Amendment would then become effective thirty (30) days after the second reading.

I will now describe the effect of the Amendment and why the Redevelopment Agency is considering it at this time.

The area subject to this amendment is an area on Ramon Road, a major road in the proximity of major commercial development in Palm Springs. There are several established businesses within the area, along and just to the north of Ramon Road. The area is mostly undeveloped, with a number of individual ownerships and is one of the last large, potentially commercial areas left to be developed in the City. It is likely that a significant portion of the land would remain undeveloped unless all that land could be assembled by one entity. The only practical way to do that is through the use of eminent domain.

Eminent domain is a power that all cities and counties have in California. The power is established in both the California Constitution and the United States Constitution.

In addition to the cities' power of eminent domain to acquire land for roadways, parks and other public facilities, redevelopment agencies may include eminent domain in a redevelopment plan in order to be able to assemble land for redevelopment and development purposes.

However, just having the power in the Plan does not mean the Redevelopment Agency will use it. There are several steps that must be followed before any public agency can acquire property through the use of eminent domain, including negotiating in good faith a purchase from the owner.

As a practical matter, eminent domain is only used in situations as a last resort. It enables a redevelopment agency to acquire properties when there is an unreasonable property owner hold-out that might otherwise prevent a legitimate development project from proceeding.

What happens is typically a developer will come to a redevelopment agency with a proposed large project - in this case potentially a major commercial project - which would result in the generation of a significant number of jobs and revenues to the City to provide services to the citizens of the community. If the redevelopment agency then

decides that it is a beneficial project for the community, it would then go out and start negotiations with the property owners.

The first step in the negotiation process is to have an appraisal done of the property by a third-party appraiser and, under law, the appraisal must value the property at its highest and best use given the current zoning of the property.

Since the property is also in a redevelopment project area, the redevelopment agency must offer affected property owners an opportunity to participate in the project or to propose their own development.

The redevelopment agency will try and negotiate with the property owner. It must offer an amount equal to or more than the fair market value. It cannot offer less.

If the property owner is unwilling to sell, or unwilling to sell at a reasonable price, then the redevelopment agency can make a decision as to whether or not it wants to proceed with an eminent domain action. If it decides to proceed, it must adopt a resolution of necessity - which requires a public hearing and gives the property owner an additional opportunity to voice his or her concerns.

The Agency must then deposit the amount of its appraisal with the court to formally begin the proceedings. Court proceedings will determine the amount of money owed by the Agency to the owner. In no case will it be less than the full appraised value.

The property owner is entitled to get their own appraisal, and typically the parties will try to settle on a purchase price that is somewhere between the appraisals - if they are both legitimate appraisals.

I must emphasize that the eminent domain power is only a last resort type of power - because it typically tends to be very expensive and unpopular for a public agency to use.

It involves significant attorney time, appraisal time, and is a costly process. It is far more economical for an agency to acquire property through a negotiated purchase. The Agency is also required to pay for the relocation of businesses affected by the acquisition of the property on which they operate. The Agency contracts with a firm specializing in relocation, which assists the business in choosing a replacement site. The Agency will pay for the physical move, furniture, fixtures and equipment that cannot or is impractical to move, and loss of goodwill. The Agency also offers existing businesses preference in reestablishing within the project if the business is compatible with the project.

This concludes the staff report. I can now answer questions, or, if there are technical legal questions, the City Attorney is prepared for that. In addition, Kathy Woolley of Overland Pacific Cutler, our relocation firm, is in the audience and can answer any questions. Mayor, after you open the public testimony portion of the public hearing and prior to oral testimony, I would like to read into the record the three letters that so requested.

Mayor DeRosa advised that she had no comments from the City Council, and that she

would now open the public testimony portion of the joint public hearing. All written testimony should be given to the City clerk during this time. Mr Scott was asked to read into the record the three letters he had referred to earlier.

Mr. Scott then read three letters into the record. Copies of those letters are attached to the original copy of these minutes.

Mayor DeRosa then opened Public Testimony asking that the speakers give their names and city of residence.

Keith Comrie – Rancho Mirage. “I own the property known Jaguars Only, a private ownership business that has been there for over 20 years. Honorable Mayor and Council Members thank you for this time to comment, I think the letters that were read into the record were very good. I also appear before you with mixed emotions since, for a temporary period, I was the CRA Director in Los Angeles while we were recruiting a new director, so I understand what your are doing. I was also the key negotiator for the Staples Arena development, so I understand the process, I understand that you are trying to improve the city. I look at this land from this prospective. There is a lot of vacant land behind the active businesses there and I think your city should move to try to re-develop it. I want to first thank you staff, they did a very professional job, both the administrative staff and the legal staff. This morning I want to thank the Mayor who listened very carefully. I think we are starting down a path and I think the discussion started very positively and ended even more positively and after you left we had an further conversation and I think we may have a win – win situation. We would like to improve the properties even further even though many of them are very valuable we think, they produce great income: for example, the operator of my business earns \$700,000 and has very highly paid staff there, these are good jobs, not minimum wage jobs by any means. We think if you were to move in the direction of a major business park, we could participate in that, improve our businesses at the same time. There is acres and acres of vacant land to develop bringing in more tax revenue, property taxes, sales taxed, and if you don't have business tax I can discuss that with your staff at some point in time which are valuable to the community. Also, it provides a valuable tremendous new asset. I love Jaguars, I owned three old one, I don't currently own them, but I love them, and the fellow that operated the business there is known valley wide as the best, and people come from all around to keep those beautiful old cars operating. So the bottom line is that we would like to work with you, but you have to understand the fear that most of these businesses took 20 to 40 years to develop, and there is really not an easy way to replace them if they have to be removed from that site. Ramon is very valuable, it's high visibility and most of the businesses have been developed because of drive by and it's going to be more visible as new businesses come in. We don't know of alternate sites and if you move to a back street you will lose a lot of business, and in my case, and the other cases, this is my retirement income and my children's inheritance that I would like to hang on to. I would like to work with you in the process and I think you will find this with the other businesses. Thank you for your time”.

Joey Dirnberger – Palm Springs. “I own a piece of property behind in the residential part of the redevelopment that hasn't been development. At the last meeting they called it paper streets on the city map, that they were never roads. There was roads at one time, they were paved and you could drive down them, and there was water there at one time.

Now I think is an issue that may be brought up is someone neglected these roads. They were not kept up, and so properties never got developed there. Now today we have neglected roads, you can't drive down them and the city can't let you develop them because of air quality control, you can't drive down a dirt road to get to your home. It was the same in Panorama area not too long ago. There were old roads, and now today there are a couple hundred thousand for just a lot. Everybody in that area was waiting for the day when it was valuable enough to develop that area, put the roads back in and build homes like it was initially intended. The other issue is traffic in that area. You have a Lowe's, a Home Depot, and a Wal-Mart going across the street, now potentially another business park. Ramon road probably can't handle all that traffic and residences may be better suited for that area. That is all I have to say."

Henry Aroyo – Rancho Mirage. "We bought three lots on Ramon Road and we bought them to build something on them, we would like to redevelop them, to build something on them. The gentleman that was before me, he said that it was for his sons, the same for me. Yea, we bought them to put something on them, not to just let them sit, we own a business right here in Cathedral City and we are doing well, I don't want to move there, but if we open something else there I think we will do well too."

Alice Piens – Cathedral City – "Jerry Dirnberger is my father, and I am an only child. My mom and dad worked very hard on Ramon Road at Palm Springs Yamaha. My mother passed away two years ago and now my dad lives on his rental income. He has his other property, and I imagine that if something happened to him, I'm his only child, and my boys want to open a restaurant someday on those lots. I know that it sounds kind of silly but we would like to keep that land in our family and some day develop it, maybe with your help.

Byran Bisbas – Palm Desert. "I have a business on Ramon Road, the name of my business is Motor Works and I have been there 20 years. I'm next door to Jaguar's Only who has also been there quite a while. I respect the fact that there are new businesses coming into town, and your encouraging them to go and see that business. I would also like you to recognize people like myself, who have put in quite a lot of hours, and have been there 20 years, and put a lot of ourselves into the business, I think we should be recognized also. The fact also that a lot of business owners there, gee I know Jaguar's and myself, we have businesses that produce quite a large income, and also the people who work for us, they are not minimum wage people, there are some \$20 and \$30 hour wages, if you take this property, you will not only be taking a lot from us, but from the people we employ. We have worked a long time, to have what we have now. There are a lot of businesses in the Coachella Valley that don't make it to often. One to three years and they are gone, so consider us, we have been there 20 years and have worked real hard. I think we are part of the community and I thank you for listening."

Luis Avila – Cathedral City. "I have lived here 17 years and have had my business 17 years. I don't want to be out of Cathedral City. I like to ask you to make a spot in this project, I would like to help and I can open a new business if you decide to do something there. Please help with me."

Clarence Roden – “7-11 on Ramon and Crossley Drive, Cathedral City. Speaking for the Merchants in the area, redevelopment is good, the area really needs improvement. The merchants in this area have an average of 20 year tenure. In today’s business climate, we all know, every one in this room knows that if your services, your product, is not good, then you be lucky to last 20 weeks. What we are saying is that we are for the redevelopment and we do feel that we should be included in the redevelopment as opposed to us being marked for extinction.”

Jerry Dirnberger – “We developed that for our retirement, which I wrote that in my letter. You don’t know how much money we used to fight the City of Palm Springs knocking out that 40 acre cemetery so that it wouldn’t be in the flight pattern, so we could hold that property. We wanted the property for our kids, and our grandchildren. We spent all that money, are you going to reimburse us for that money, thousands and thousands of dollars, for fighting that cemetery? So you would have a nice location to take our property from us. We worked hard and that is where the big box store is.”

Masako Takahashi – Cathedral City. “My husband and I own the Lawnmower Shop where you are planning eminent domain, and we have been there about 12 years. We don’t want to move, we want to stay the way it is, or we have two lots back of the building, if we could add on to our business, if you change the zoning, we could add on to the business. We could make more money for the city, we would like to stay where we are and not to relocated.”

Seeing no one else wishing to speak, Mayor DeRosa closed the public testimony of the public hearing regarding the proposed 2005 Amendment to the Amended Redevelopment Enabling Plan for the Cathedral city Redevelopment Project Area No. 3 (Amendment No. 6). The City Council and Redevelopment Agency Board will consider all the testimony received through this evening and the first reading of an ordinance adopting the 2005 Amendment to the Amended Redevelopment Enabling Plan for the Cathedral City Redevelopment Project Area No. 3 (Amendment No. 6) will be considered in two weeks.

With no objection, we will now continue this joint public hearing to March 9, 2005 by **Minute Order # 3858 and Minute Order # R-1016.**

LEGISLATIVE ACTION(S)

9. Proposed Memorandum of Understanding (MOU) by and between the Redevelopment Agency and the Bedford Group relative to the development of tourism oriented facilities north and west of the existing target retail center.

Mr. Shillcock, Economic Development Director gave an overview of this potential project and explained the Memorandum of Understanding. He answered several questions from Council Member England with regard to residential housing, which Mr. Shillcock advised is not a part of this proposal.

Public Comments opened and closed without comment.

Council Member Marchand moved approval, motion seconded by Council Member England, who advised he was supporting this, but did not want to see the developer come back with a “housing” element in his plan. Motion carried 4-0 **by Minute Order # 3859.**

10. Proposed Memorandum of Understanding (MOU) by and between the Redevelopment Agency and Stewart Family Properties relative to the development of an automobile sales/service facility at the northwest corner of East Palm Canyon Drive and Perez Road.

A brief report was made by Mr. Shillcock, Economic Development Director.

Public Comments were opened and closed without comment.

Council Member Marchand moved approval, motion seconded by Council Member England, motion carried 4-0 **by Minute Order # 3860.**

COUNCIL REPORTS ON CITIZEN INQUIRIES AND CONCERNS.

Council Member Marchand advised of a serious “sink hole” at Cathedral Canyon and Dinah Shore. It appears that there is some on-going pavement problems that we need to look at and we made to do some more work on that particular pot-hole.

Council Member England has a question about Gerald Ford and Date Palm, I believe that property is owned by the Date Palm Mobil Home Park? It is the fenced off area, it appears to have become a dumping ground. Mayor DeRosa said that was on her list of properties for code enforcement.

Mayor DeRosa seeing no further business to come before her, advise that again, it had been an incredible meeting, finishing the agenda at 8:12 p.m. and advised that they would adjourn to finish the Closed Session Agenda.

The Council returned from the closed session at 8:45 p.m. Deputy City Attorney Green announced there were no reportable actions out of closed session. The meeting than adjourned at 8:47 p.m. in memory of those who have lost their lives in the recent and ongoing storms here in Southern California, in memory of our troops who have lost their lives in Iraq and Afghanistan, in memory of Arthur Miller, and in memory of James Sitter

Pat Hammer, CMC
City Clerk